

Senate File 516 - Reprinted

SENATE FILE 516
BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO SSB 1198)

(As Amended and Passed by the Senate April 20, 2017)

A BILL FOR

1 An Act relating to state and local finances by making
2 appropriations, providing for legal and regulatory
3 responsibilities, concerning taxation, and providing for
4 other properly related matters, and including effective date
5 and retroactive applicability provisions.
6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

DIVISION I

STANDING APPROPRIATIONS AND RELATED MATTERS

Section 1. BUDGET PROCESS FOR FISCAL YEAR 2018-2019.

1. For the budget process applicable to the fiscal year beginning July 1, 2018, on or before October 1, 2017, in lieu of the information specified in section 8.23, subsection 1, unnumbered paragraph 1, and section 8.23, subsection 1, paragraph "a", all departments and establishments of the government shall transmit to the director of the department of management, on blanks to be furnished by the director, estimates of their expenditure requirements, including every proposed expenditure, for the ensuing fiscal year, together with supporting data and explanations as called for by the director of the department of management after consultation with the legislative services agency.

2. The estimates of expenditure requirements shall be in a form specified by the director of the department of management, and the expenditure requirements shall include all proposed expenditures and shall be prioritized by program or the results to be achieved. The estimates shall be accompanied by performance measures for evaluating the effectiveness of the programs or results.

Sec. 2. BUDGET PROCESS FOR FISCAL YEAR 2019-2020.

1. For the budget process applicable to the fiscal year beginning July 1, 2019, on or before October 1, 2018, in lieu of the information specified in section 8.23, subsection 1, unnumbered paragraph 1, and section 8.23, subsection 1, paragraph "a", all departments and establishments of the government shall transmit to the director of the department of management, on blanks to be furnished by the director, estimates of their expenditure requirements, including every proposed expenditure, for the ensuing fiscal year, together with supporting data and explanations as called for by the director of the department of management after consultation with the legislative services agency.

1 2. The estimates of expenditure requirements shall be
2 in a form specified by the director of the department of
3 management, and the expenditure requirements shall include all
4 proposed expenditures and shall be prioritized by program or
5 the results to be achieved. The estimates shall be accompanied
6 by performance measures for evaluating the effectiveness of the
7 programs or results.

8 Sec. 3. LIMITATIONS OF STANDING APPROPRIATIONS — FY
9 2017-2018. Notwithstanding the standing appropriations
10 in the following designated sections for the fiscal year
11 beginning July 1, 2017, and ending June 30, 2018, the amounts
12 appropriated from the general fund of the state pursuant to
13 these sections for the following designated purposes shall not
14 exceed the following amounts:

15 1. For payment of claims for nonpublic school
16 transportation under section 285.2:
17 \$ 8,197,091

18 If total approved claims for reimbursement for nonpublic
19 school pupil transportation exceed the amount appropriated in
20 accordance with this subsection, the department of education
21 shall prorate the amount of each approved claim.

22 2. For distribution for the tribal council of the Sac and
23 Fox Indian settlement for educating American Indian children
24 under section 256.30:
25 \$ 95,750

26 Sec. 4. LIMITATIONS OF STANDING APPROPRIATIONS — FY
27 2018-2019. Notwithstanding the standing appropriations
28 in the following designated sections for the fiscal year
29 beginning July 1, 2018, and ending June 30, 2019, the amounts
30 appropriated from the general fund of the state pursuant to
31 these sections for the following designated purposes shall not
32 exceed the following amounts:

33 1. For payment of claims for nonpublic school
34 transportation under section 285.2:
35 \$ 8,197,091

1 If total approved claims for reimbursement for nonpublic
2 school pupil transportation exceed the amount appropriated in
3 accordance with this subsection, the department of education
4 shall prorate the amount of each approved claim.

5 2. For distribution for the tribal council of the Sac and
6 Fox Indian settlement for educating American Indian children
7 under section 256.30:

8 \$ 95,750

9 Sec. 5. GENERAL ASSEMBLY.

10 1. The appropriations made pursuant to section 2.12 for the
11 expenses of the general assembly and legislative agencies for
12 the fiscal year beginning July 1, 2017, and ending June 30,
13 2018, are reduced by the following amount:

14 \$ 400,000

15 2. The budgeted amounts for the general assembly and
16 legislative agencies for the fiscal year beginning July 1,
17 2017, may be adjusted to reflect the unexpended budgeted
18 amounts from the previous fiscal year.

19 3. Annual membership dues for organizations, associations,
20 and conferences shall not be paid from moneys appropriated
21 pursuant to section 2.12.

22 4. Costs for out-of-state travel and per diems for
23 out-of-state travel shall not be paid from moneys appropriated
24 pursuant to section 2.12.

25 Sec. 6. INSTRUCTIONAL SUPPORT STATE AID — FY 2017-2018. In
26 lieu of the appropriation provided in section 257.20,
27 subsection 2, the appropriation for the fiscal year
28 beginning July 1, 2017, and ending June 30, 2018, for paying
29 instructional support state aid under section 257.20 for such
30 fiscal years is zero.

31 Sec. 7. SPECIAL FUNDS — SALARY ADJUSTMENTS — FY 2017-2018
32 — FY 2018-2019. For the fiscal year beginning July 1, 2017,
33 and ending June 30, 2018, and for the fiscal year beginning
34 July 1, 2018, and ending June 30, 2019, salary adjustments may
35 be funded using departmental revolving, trust, or special funds

1 for which the general assembly has established an operating
2 budget, provided that doing so does not exceed the operating
3 budget established by the general assembly.

4 Sec. 8. OPERATIONAL APPROPRIATIONS — REVERSION — FY
5 2016-2017. Notwithstanding section 8.62, at the close of
6 the fiscal year beginning July 1, 2016, and ending June 30,
7 2017, any balance of an operational appropriation that remains
8 unexpended or unencumbered shall not be encumbered or deposited
9 in the cash reserve fund as provided in section 8.62, but shall
10 instead revert to the general fund of the state at the close of
11 the fiscal year as provided in section 8.33.

12 Sec. 9. SPECIAL FUNDS — SALARY ADJUSTMENTS —
13 UNAPPROPRIATED MONEYS — FY 2017-2018 — FY 2018-2019. For the
14 fiscal year beginning July 1, 2017, and ending June 30, 2018,
15 and for the fiscal year beginning July 1, 2018, and ending
16 June 30, 2019, salary adjustments otherwise provided may be
17 funded as determined by the department of management using
18 unappropriated moneys remaining in the department of commerce
19 revolving fund, the gaming enforcement revolving fund, the
20 gaming regulatory revolving fund, the primary road fund, the
21 road use tax fund, the fish and game protection fund, the Iowa
22 public employees' retirement fund, and in other departmental
23 revolving, trust, or special funds for which the general
24 assembly has not made an operating budget appropriation.

25 Sec. 10. SALARY MODEL ADMINISTRATOR. The salary model
26 administrator shall work in conjunction with the legislative
27 services agency to maintain the state's salary model used for
28 analyzing, comparing, and projecting state employee salary
29 and benefit information, including information relating to
30 employees of the state board of regents. The department of
31 revenue, the department of administrative services, the five
32 institutions under the jurisdiction of the state board of
33 regents, the judicial district departments of correctional
34 services, and the state department of transportation shall
35 provide salary data to the department of management and the

1 legislative services agency to operate the state's salary
2 model. The format and frequency of provision of the salary
3 data shall be determined by the department of management and
4 the legislative services agency. The information shall be
5 used in collective bargaining processes under chapter 20 and
6 in calculating the funding needs contained within the annual
7 salary adjustment legislation. A state employee organization
8 as defined in section 20.3, subsection 4, may request
9 information produced by the model, but the information provided
10 shall not contain information attributable to individual
11 employees.

12 Sec. 11. Section 257.35, Code 2017, is amended by adding the
13 following new subsection:

14 NEW SUBSECTION. 11A. Notwithstanding subsection 1, and in
15 addition to the reduction applicable pursuant to subsection
16 2, the state aid for area education agencies and the portion
17 of the combined district cost calculated for these agencies
18 for the fiscal year beginning July 1, 2017, and ending June
19 30, 2018, shall be reduced by the department of management by
20 fifteen million dollars. The reduction for each area education
21 agency shall be prorated based on the reduction that the agency
22 received in the fiscal year beginning July 1, 2003.

23 Sec. 12. EFFECTIVE UPON ENACTMENT. The following provision
24 or provisions of this division of this Act, being deemed of
25 immediate importance, take effect upon enactment:

26 1. The section of this division of this Act reverting to
27 the general fund any unexpended or unencumbered moneys from
28 operational appropriations.

29 DIVISION II

30 MISCELLANEOUS APPROPRIATIONS

31 Sec. 13. TRANSFER FROM CASH RESERVE FUND. Notwithstanding
32 section 8.56, subsection 3 and 4, paragraph "a", there is
33 transferred from the cash reserve fund created in section 8.56
34 to the general fund of the state for the fiscal year beginning
35 July 1, 2016, and ending June 30, 2017, the following amount:

1 \$131,100,000

2 Sec. 14. APPROPRIATION TO CASH RESERVE FUND. There is
3 appropriated from the general fund of the state to the cash
4 reserve fund created in section 8.56 for the fiscal year
5 beginning July 1, 2017, and ending June 30, 2018, the following
6 amount:

7 \$ 20,000,000

8 Sec. 15. GUBERNATORIAL TRANSITION. There is appropriated
9 from the general fund of the state to the offices of the
10 governor and the lieutenant governor for the fiscal year
11 beginning July 1, 2017, and ending June 30, 2018, the following
12 amount, or so much thereof as is necessary, to be used for the
13 purposes designated:

14 For expenses incurred during the gubernatorial transition:
15 \$ 150,000

16 Sec. 16. EFFECTIVE UPON ENACTMENT. The following provision
17 or provisions of this division of this Act, being deemed of
18 immediate importance, take effect upon enactment:

19 1. The section of this division of this Act transferring
20 moneys from the cash reserve fund to the general fund of the
21 state.

22 DIVISION III

23 MISCELLANEOUS PROVISIONS

24 Sec. 17. Section 2.43, unnumbered paragraph 1, Code 2017,
25 is amended to read as follows:

26 The legislative council in cooperation with the officers of
27 the senate and house shall have the duty and responsibility for
28 preparing for each session of the general assembly. Pursuant
29 to such duty and responsibility, the legislative council
30 shall assign the use of areas in the state capitol except for
31 the areas used by the governor as of January 1, 1986, and by
32 ~~the courts as of July 1, 2003,~~ and, in consultation with the
33 director of the department of administrative services and the
34 capitol planning commission, may assign areas in other state
35 office buildings for use of the general assembly or legislative

1 agencies. The legislative council shall provide the courts
2 with use of space in the state capitol for ceremonial purposes.
3 The legislative council may authorize the renovation,
4 remodeling and preparation of the physical facilities used or
5 to be used by the general assembly or legislative agencies
6 subject to the jurisdiction of the legislative council and
7 award contracts pursuant to such authority to carry out such
8 preparation. The legislative council may purchase supplies and
9 equipment deemed necessary for the proper functioning of the
10 legislative branch of government.

11 Sec. 18. Section 8A.322, subsection 2, Code 2017, is amended
12 to read as follows:

13 2. Except for buildings and grounds described in section
14 216B.3, subsection 6; [section 2.43](#), unnumbered paragraph 1; and
15 any buildings under the custody and control of the Iowa public
16 employees' retirement system, the director shall assign office
17 space at the capitol, other state buildings, and elsewhere in
18 the city of Des Moines, and the state laboratories facility
19 in Ankeny, for all executive and judicial state agencies.
20 Assignments may be changed at any time. The various officers
21 to whom rooms have been so assigned may control the same while
22 the assignment to them is in force. Official apartments shall
23 be used only for the purpose of conducting the business of the
24 state. The term "*capitol*" or "*capitol building*" as used in the
25 Code shall be descriptive of all buildings upon the capitol
26 grounds. The capitol building itself is reserved for the
27 operations of the general assembly, and the governor, and, for
28 ceremonial purposes, for the courts and the. The assignment
29 and use of physical facilities for the general assembly shall
30 be pursuant to [section 2.43](#).

31 Sec. 19. Section 8C.7A, subsection 3, paragraph b,
32 unnumbered paragraph 1, if enacted by 2017 Iowa Acts, Senate
33 File 431, is amended to read as follows:

34 An authority shall not require a person to apply for or
35 enter into an individual license, franchise, or other agreement

1 with the authority or any other entity for the siting of
2 a small wireless facility on a utility pole located in a
3 public right-of-way. However, an authority may, through the
4 conditions set forth in a ~~building~~ permit obtained pursuant to
5 this subsection, do any of the following:

6 Sec. 20. NEW SECTION. **9.4A Technology modernization fund.**

7 1. A technology modernization fund is created in the state
8 treasury under the control of the secretary of state. Moneys
9 in the fund are appropriated to the secretary of state for
10 purposes of modernizing technology used by the secretary of
11 state to fulfill the duties of office.

12 2. On and after July 1, 2017, any increased fee amount
13 collected by the secretary of state shall be credited to the
14 technology modernization fund. From each fee collected, the
15 amount credited to the fund equals the difference between the
16 fee amount collected and the amount assessed for the same fee
17 on June 30, 2017.

18 3. Each fiscal year, not more than two million dollars shall
19 be credited to the fund.

20 4. This section is repealed July 1, 2022.

21 Sec. 21. Section 15.329, subsection 1, paragraph f, Code
22 2017, is amended to read as follows:

23 *f.* The business shall not be a retail business or a business
24 where entrance is limited by a cover charge or membership
25 requirement. For purposes of this paragraph, a business
26 operated for the purpose of fulfilling customer orders is not a
27 retail business or a retail operation.

28 Sec. 22. Section 321N.4, subsection 6, Code 2017, is amended
29 to read as follows:

30 6. Insurance maintained under ~~this chapter~~ shall be
31 provided by an insurer governed by ~~chapter 515 or 518~~, or by
32 a surplus lines insurer governed by ~~chapter 515I~~. ~~A surplus~~
33 ~~lines insurer that issues a policy pursuant to this section~~
34 ~~shall be considered an insurance carrier duly authorized to~~
35 ~~transact business in this state for the purposes of chapter~~

1 ~~321A.~~

2 Sec. 23. Section 481A.38, Code 2017, is amended by adding
3 the following new subsection:

4 NEW SUBSECTION. 4. The commission shall not restrict or
5 prohibit hunting on specific private property generally or for
6 the hunting of a particular wild animal, so long as the person
7 hunting on that property is otherwise qualified to hunt in
8 this state, purchases a valid hunting license that includes
9 the wildlife habitat fee and a valid hunting license for the
10 type of wild animal being hunted, if applicable, and adheres to
11 all municipal, county, state, and federal regulations that are
12 applicable to hunting and specifically applicable to the type
13 of wild animal being hunted, including but not limited to daily
14 limits, possession limits, shooting hours, methods of take, and
15 transportation of a carcass.

16 Sec. 24. ALCOHOLIC BEVERAGE CONTROL — STUDY.

17 1. It is the intent of the general assembly that the
18 three-tiered system of regulating the alcohol beverage industry
19 is critical to maintaining a fair and competitive marketplace.
20 The study required by this section does not preclude the
21 alcoholic beverages division from applying regulatory
22 discretion that aligns with the performance of the powers and
23 duties granted to the administrator in chapter 123.

24 2. The alcoholic beverages division of the department of
25 commerce, in conjunction with other stakeholders the division
26 deems necessary, shall conduct a study concerning enforcement
27 issues related to alcoholic beverage control, including
28 consideration of the manner of properly balancing appropriate
29 regulation of the manufacturing, distribution, and sale of
30 alcoholic liquor, wine, and beer in this state with emerging
31 trends in the industry.

32 3. In conducting the study, the division shall consider
33 any other relevant issues the division identifies for study,
34 issues relating to the three-tiered system and section 123.45,
35 as it impacts the ability of manufacturers, wholesalers, and

1 retailers to meet changing marketplace conditions and business
2 opportunities.

3 4. By July 1, 2018, the division shall submit a final report
4 to the general assembly. The report shall provide the results
5 of the study including any findings and recommendations.

6 5. During the time period of the study and consideration of
7 the issue by the general assembly during the 2019 legislative
8 session, if an applicant has a conflict with section 123.45,
9 subsection 1, paragraphs "c" or "d", the administrator may elect
10 to defer on a final determination regarding the eligibility
11 and issue a temporary license or permit with conditions, if
12 applicable. In making a determination of whether to defer on a
13 final determination, the administrator shall balance regulatory
14 principles and practices that ensure a fair and competitive
15 marketplace with the protections of the public interests as
16 provided in chapter 123.

17 6. This section is repealed July 1, 2019.

18 Sec. 25. SEXUAL ABUSE EVIDENCE COLLECTION KITS. Any sexual
19 abuse evidence collection kit identified by a jurisdictional
20 law enforcement agency through the inventory required pursuant
21 to 2016 Iowa Acts, chapter 1042, shall be maintained by the law
22 enforcement agency indefinitely. A law enforcement agency in
23 possession of any sexual abuse evidence kit identified through
24 the inventory shall submit for analysis any kit at the request
25 of the department of justice.

26 Sec. 26. REPEAL. Chapter 304A, Code 2017, is repealed.

27 DIVISION IV

28 CORRECTIVE PROVISIONS

29 Sec. 27. Section 22.13A, subsection 5, paragraph b, as
30 enacted by 2017 Iowa Acts, House File 291, section 51, is
31 amended to read as follows:

32 b. If paragraph "a", subparagraph (1) or (2) is not
33 consistent with the provision of a collective bargaining
34 agreement, a state agency shall provide the individuals
35 referenced in [this subsection](#), as applicable, with regular

1 reports regarding any personnel settlement agreements entered
2 into with state employees by the state agency.

3 Sec. 28. Section 73A.26, as enacted by 2017 Iowa Acts,
4 Senate File 438, section 6, is amended to read as follows:

5 **73A.26 Purpose.**

6 The purpose of this ~~chapter~~ subchapter is to provide for
7 more economical, nondiscriminatory, neutral, and efficient
8 procurement of construction-related goods and services by this
9 state and political subdivisions of this state.

10 Sec. 29. Section 80B.19, subsection 2, if enacted by 2017
11 Iowa Acts, Senate File 509, section 22, is amended to read as
12 follows:

13 2. Internal training funds in the internal training
14 clearing fund shall be administered by the academy and shall
15 consist of moneys collected by the academy from billings issued
16 in accordance with this chapter ~~80B~~, and any other moneys
17 obtained or accepted by the academy, including but not limited
18 to gifts, loans, donations, grants, and contributions, which
19 are obtained or designated to support the activities of the
20 academy.

21 Sec. 30. Section 84A.1A, subsection 1, paragraph a,
22 subparagraph (8), subparagraph division (b), subparagraph
23 subdivision (iii), as enacted by 2017 Iowa Acts, House File
24 572, section 1, is amended to read as follows:

25 (iii) Two representatives of community-based organizations
26 that have demonstrated experience and expertise in addressing
27 the employment, training, or education needs of individuals
28 with barriers to employment as defined in the federal Workforce
29 Innovation and Opportunity Act, Pub. L. No. 113-128, §3(24),
30 including but not limited to organizations that serve veterans,
31 or that provide or support competitive, integrated employment
32 for individuals with disabilities; or that serve eligible
33 youth, as defined in the federal Workforce Innovation and
34 Opportunity Act, Pub. L. No. 113-128, §3(18), including
35 representatives of organizations that serve out-of-school

1 youth, as defined in the federal Workforce Innovation and
2 Opportunity Act, Pub. L. No. 113-128, §129(a)(1)(B).

3 Sec. 31. Section 225D.1, subsection 8, Code 2017, as amended
4 by 2017 Iowa Acts, House File 215, section 1, is amended to
5 read as follows:

6 8. "*Eligible individual*" means a child less than fourteen
7 years of age who has been diagnosed with autism based on a
8 diagnostic assessment of autism, is not otherwise eligible for
9 coverage for applied behavioral analysis treatment or applied
10 behavior analysis treatment under the medical assistance
11 program, [section 514C.28](#), [514C.31](#), or other private insurance
12 coverage, and whose household income does not exceed five
13 hundred percent of the federal poverty level.

14 Sec. 32. Section 261.9, subsection 2A, paragraph b, if
15 enacted by 2017 Iowa Acts, House File 642, section 15, is
16 amended to read as follows:

17 b. Is a barber school licensed under section 158.7 or
18 a school of cosmetology arts and sciences licensed under
19 chapter 157 and is accredited by a national accrediting agency
20 recognized by the United States department of education. For
21 the fiscal year beginning July 1, 2017, an eligible institution
22 under this paragraph shall provide a matching aggregate amount
23 of institutional financial aid equal to at least seventy-five
24 percent of the amount received by the institution's students
25 for Iowa tuition grant assistance under section 261.16A.
26 For the fiscal year beginning July 1, 2018, the institution
27 shall provide a matching aggregate amount of institutional
28 financial aid equal to at least eighty-five percent of the
29 amount received in that fiscal year. Commencing with the
30 fiscal year beginning July 1, 2019, and each succeeding fiscal
31 year, the matching aggregate amount of institutional financial
32 aid shall be at least equal to the match provided by eligible
33 institutions under ~~section 261.16A, subsection 2~~ paragraph "a".

34 Sec. 33. 2017 Iowa Acts, House File 488, section 57, as
35 enacted, is amended by striking the section and inserting in

1 lieu thereof the following:

2 SEC. 57. Section 455B.474, subsection 2, paragraph a,
3 subparagraph (1), Code 2017, is amended to read as follows:

4 (1) (a) Financial responsibility required by this
5 subsection may be established in accordance with rules adopted
6 by the commission by any one, or any combination, of the
7 following methods: ~~insurance, guarantee, surety bond, letter~~

8 (i) Insurance.

9 (ii) Guarantee.

10 (iii) Surety bond.

11 (iv) Letter of credit, or qualification.

12 (v) Qualification as a self-insurer.

13 (b) In adopting requirements under **this subsection**, the
14 commission may specify policy or other contractual terms,
15 conditions, or defenses which are necessary or are unacceptable
16 in establishing the evidence of financial responsibility.

17 Sec. 34. 2017 Iowa Acts, House File 642, section 44,
18 subsection 1, paragraph f, unnumbered paragraph 2, if enacted,
19 is amended to read as follows:

20 From the moneys appropriated in this lettered paragraph
21 "f", not more than \$50,000 shall be used by the department ~~for~~
22 ~~expenses associated with the activities of the secondary career~~
23 ~~and technical programming task force convened pursuant to this~~
24 ~~Act to provide statewide support for work-based learning.~~

25 Sec. 35. 2017 Iowa Acts, House File 642, section 55,
26 subsection 1, paragraph f, unnumbered paragraph 2, if enacted,
27 is amended to read as follows:

28 From the moneys appropriated in this lettered paragraph
29 "f", not more than \$25,000 shall be used by the department ~~for~~
30 ~~expenses associated with the activities of the secondary career~~
31 ~~and technical programming task force convened pursuant to this~~
32 ~~Act to provide statewide support for work-based learning.~~

33 Sec. 36. 2017 Iowa Acts, Senate File 510, section 22,
34 subsection 1, if enacted, is amended to read as follows:

35 1. Notwithstanding section 466A.2, and the repeal of

1 chapter 466A as provided in this division of this Act, on and
2 after December 31, 2017, the department of agriculture and
3 land stewardship shall manage moneys credited to the watershed
4 improvement fund in the same manner as required in 2016
5 Acts, chapter 1134, section 35, including by making necessary
6 payments to satisfy any outstanding obligations incurred by the
7 watershed improvement review board prior to December 31, 2017.

8 Sec. 37. EFFECTIVE UPON ENACTMENT. The following sections
9 of this division of this Act, being deemed of immediate
10 importance, take effect upon enactment:

11 1. The section of this division of this Act amending section
12 22.13A, subsection 5, paragraph "b".

13 2. The section of this division of this Act amending section
14 73A.26.

15 3. The section of this division of this Act amending
16 section 84A.1A, subsection 1, paragraph "a", subparagraph (8),
17 subparagraph division (b), subparagraph subdivision (iii).

18 Sec. 38. EFFECTIVE DATE. The section of this division of
19 this Act amending section 225D.1, subsection 8, takes effect
20 January 1, 2018.

21 DIVISION V

22 WEAPONS

23 Sec. 39. Section 724.2A, as enacted by 2017 Iowa Acts, House
24 File 517, section 5, is amended to read as follows:

25 **724.2A Peace officer and reserve peace officer — defined.**

26 As used in [sections 724.4, 724.6, and 724.11](#), "*peace officer*"
27 ~~means a certified "*peace officer*"~~ and includes a reserve peace
28 officer as defined in [section 80D.1A](#).

29 Sec. 40. Section 724.4C, subsection 1, unnumbered paragraph
30 1, as enacted by 2017 Iowa Acts, House File 517, section 8, is
31 amended to read as follows:

32 Except as provided in subsection 2, a person commits a
33 serious misdemeanor if the person is intoxicated as provided
34 under the conditions set out in section 321J.2, subsection
35 1, paragraph "a", "b", or "c", and the person does any of the

1 following:

2 Sec. 41. Section 724.17, subsection 1, as enacted by 2017
3 Iowa Acts, House File 517, section 22, is amended to read as
4 follows:

5 1. The application for a permit to acquire pistols or
6 revolvers may be made to the sheriff of the county of the
7 applicant's residence and shall be on a form prescribed
8 and published by the commissioner of public safety. The
9 application shall require only the full name of the applicant,
10 the driver's license or nonoperator's identification card
11 number of the applicant, the residence of the applicant, ~~and~~
12 the date and place of birth of the applicant, and whether the
13 applicant meets the criteria specified in section 724.15.
14 The applicant shall also display an identification card that
15 bears a distinguishing number assigned to the cardholder, the
16 full name, date of birth, sex, residence address, and brief
17 description and color photograph of the cardholder, or other
18 identification as specified by rule of the department of public
19 safety. The sheriff shall conduct a criminal history check
20 concerning each applicant by obtaining criminal history data
21 from the department of public safety which shall include an
22 inquiry of the national instant criminal background check
23 system maintained by the federal bureau of investigation or any
24 successor agency. A person who makes what the person knows
25 to be a false statement of material fact on an application
26 submitted under [this section](#) or who submits what the person
27 knows to be any materially falsified or forged documentation in
28 connection with such an application commits a class "D" felony.

29 Sec. 42. Section 724.22, subsection 9, as enacted by 2017
30 Iowa Acts, House File 517, section 29, is amended to read as
31 follows:

32 9. A parent, guardian, spouse, or instructor, who knowingly
33 provides direct supervision under subsection 5, of a person
34 while intoxicated as provided under the conditions set out
35 in section 321J.2, subsection 1, ~~or under the influence of~~

1 ~~an illegal drug~~ paragraph "a", "b", or "c", commits child
2 endangerment in violation of section 726.6, subsection 1,
3 paragraph "i".

4 Sec. 43. Section 726.6, subsection 1, paragraph i, as
5 enacted by 2017 Iowa Acts, House File 517, section 30, is
6 amended to read as follows:

7 *i.* Knowingly provides direct supervision of a person under
8 section 724.22, subsection 5, while intoxicated as provided
9 under the conditions set out in section 321J.2, subsection 1,
10 ~~or under the influence of an illegal drug~~ paragraph "a", "b",
11 or "c".

12 Sec. 44. 2017 Iowa Acts, House File 517, section 50,
13 subsection 1, as enacted, is amended to read as follows:

14 1. The ~~section~~ sections of this Act amending ~~section~~
15 sections 724.22 and 726.6.

16 Sec. 45. REPEAL. 2017 Iowa Acts, House File 517, section
17 16, as enacted, is repealed.

18 Sec. 46. EFFECTIVE UPON ENACTMENT. The section of this
19 division of this Act amending 2017 Iowa Acts, House File 517,
20 section 50, subsection 1, being deemed of immediate importance,
21 takes effect upon enactment.

22 Sec. 47. RETROACTIVE APPLICABILITY. The section of this
23 division of this Act amending 2017 Iowa Acts, House File 517,
24 section 50, subsection 1, applies retroactively to April 13,
25 2017.

26 DIVISION VI

27 VAPOR AND ALTERNATIVE NICOTINE PRODUCTS — TAX

28 Sec. 48. Section 453A.1, Code 2017, is amended by adding the
29 following new subsection:

30 NEW SUBSECTION. 7A. "*Delivery sale*" means any sale of
31 an alternative nicotine product or a vapor product to a
32 purchaser in this state where the purchaser submits the order
33 for such sale by means of a telephonic or other method of
34 voice transmission, mail or any other delivery service, or the
35 internet or other online service and the alternative nicotine

1 product or vapor product is delivered by use of mail or a
2 delivery service. The sale of an alternative nicotine product
3 or vapor product shall constitute a delivery sale regardless of
4 whether the seller is located in this state. "Delivery sale"
5 does not include a sale to a distributor or retailer of any
6 alternative nicotine product or vapor product not for personal
7 consumption.

8 Sec. 49. Section 453A.1, subsection 20, Code 2017, is
9 amended to read as follows:

10 20. "Place of business" is construed to mean and include any
11 place where cigarettes are sold or where cigarettes are stored
12 within or without the state of Iowa by the holder of an Iowa
13 permit or kept for the purpose of sale or consumption; or if
14 sold from any vehicle or train, the vehicle or train on which
15 or from which such cigarettes are sold shall constitute a place
16 of business; or for a business within or without the state that
17 conducts delivery sales, any place where alternative nicotine
18 products or vapor products are sold or where alternative
19 nicotine products or vapor products are kept for the purpose
20 of sale.

21 Sec. 50. Section 453A.13, subsection 1, Code 2017, is
22 amended to read as follows:

23 1. *Permits required.* Every distributor, wholesaler,
24 cigarette vendor, and retailer, now engaged or who desires to
25 become engaged in the sale or use of cigarettes, upon which a
26 tax is required to be paid, and every retailer now engaged or
27 who desires to become engaged in selling, offering for sale, or
28 distributing alternative nicotine products or vapor products,
29 including through delivery sales, shall obtain a state or
30 retail permit as a distributor, wholesaler, cigarette vendor,
31 or retailer, as the case may be.

32 Sec. 51. Section 453A.13, subsection 2, paragraph a, Code
33 2017, is amended to read as follows:

34 a. The department shall issue state permits to distributors,
35 wholesalers, and cigarette vendors and retailers that make

1 delivery sales of alternative nicotine products and vapor
2 products subject to the conditions provided in [this division](#).
3 If an out-of-state retailer makes delivery sales of alternative
4 nicotine products or vapor products, an application shall be
5 filed with the department and a permit shall be issued for the
6 out-of-state retailer's principal place of business. Cities
7 may issue retail permits to ~~dealers~~ retailers with a place of
8 business located within their respective limits. County boards
9 of supervisors may issue retail permits to ~~dealers~~ retailers
10 with a place of business in their respective counties, outside
11 of the corporate limits of cities.

12 Sec. 52. Section 453A.42, Code 2017, is amended by adding
13 the following new subsection:

14 NEW SUBSECTION. 2A. "*Delivery sale*" means any sale of
15 an alternative nicotine product or a vapor product to a
16 purchaser in this state where the purchaser submits the order
17 for such sale by means of a telephonic or other method of
18 voice transmission, mail or any other delivery service, or the
19 internet or other online service and the alternative nicotine
20 product or vapor product is delivered by use of mail or a
21 delivery service. The sale of an alternative nicotine product
22 or vapor product shall constitute a delivery sale regardless of
23 whether the seller is located in this state. "*Delivery sale*"
24 does not include a sale to a distributor or retailer of any
25 alternative nicotine product or vapor product not for personal
26 consumption.

27 Sec. 53. Section 453A.42, subsection 8, Code 2017, is
28 amended to read as follows:

29 8. "*Place of business*" means any place where tobacco
30 products are sold or where tobacco products are manufactured,
31 stored, or kept for the purpose of sale or consumption,
32 including any vessel, vehicle, airplane, train, or vending
33 machine; or for a business within or without the state that
34 conducts delivery sales, any place where alternative nicotine
35 products or vapor products are sold or where alternative

1 nicotine products or vapor products are kept for the purpose of
2 sale, including delivery sales.

3 Sec. 54. Section 453A.47A, subsections 1, 3, and 6, Code
4 2017, are amended to read as follows:

5 1. *Permits required.* A person shall not engage in
6 the business of a retailer of tobacco, tobacco products,
7 alternative nicotine products, or vapor products at any place
8 of business, or through delivery sales, without first having
9 received a permit as a retailer.

10 3. *Number of permits.* An application shall be filed and a
11 permit obtained for each place of business owned or operated by
12 a retailer located in the state. If an out-of-state retailer
13 makes delivery sales of alternative nicotine products or vapor
14 products, an application shall be filed with the department
15 and a permit shall be issued for the out-of-state retailer's
16 principal place of business.

17 6. *Issuance.* Cities ~~shall~~ may issue retail permits to
18 retailers located within their respective limits. County
19 boards of supervisors ~~shall~~ may issue retail permits to
20 retailers located in their respective counties, outside of the
21 corporate limits of cities. The city or county shall submit a
22 duplicate of any application for a retail permit and any retail
23 permit issued by the entity under **this section** to the alcoholic
24 beverages division of the department of commerce within thirty
25 days of issuance. The alcoholic beverages division of the
26 department of commerce shall submit the current list of all
27 retail permits issued to the Iowa department of public health
28 by the first day of each quarter of a state fiscal year.

29 Sec. 55. NEW SECTION. **453A.47B Requirements for mailing or**
30 **shipping — alternative nicotine products or vapor products.**

31 1. A retailer shall not mail, ship, or otherwise cause to
32 be delivered any alternative nicotine product or vapor product
33 in connection with a delivery sale unless all of the following
34 apply:

35 a. Prior to sale to the purchaser, the retailer verifies

1 that the purchaser is at least eighteen years of age through or
2 by one of the following:

3 (1) A commercially available database, or aggregate of
4 databases, that is regularly used by government and businesses
5 for the purpose of age and identity verification.

6 (2) Obtaining a copy of a valid government-issued document
7 that provides the name, address, and date of birth of the
8 purchaser.

9 *b.* The retailer uses a method of mailing, shipping, or
10 delivery that requires the signature of a person who is at
11 least eighteen years of age before the shipping package is
12 released to the purchaser.

13 **Sec. 56. NEW SECTION. 453A.47C Sales and use tax on**
14 **delivery sales — alternative nicotine products or vapor**
15 **products.**

16 1. A delivery sale of alternative nicotine products or vapor
17 products within this state shall be subject to the sales tax
18 provided in chapter 423, subchapter II.

19 2. The use in this state of alternative nicotine products
20 or vapor products purchased for use in this state through a
21 delivery sale shall be subject to the use tax provided in
22 chapter 423, subchapter III.

23 3. A retailer required to possess or possessing a permit
24 under section 453A.13 or 453A.47A to make delivery sales of
25 alternative nicotine products or vapor products within this
26 state shall be deemed to have waived all claims that such
27 retailer lacks physical presence within this state for purposes
28 of collecting and remitting sales and use tax.

29 4. A retailer making taxable delivery sales of alternative
30 nicotine products or vapor products within this state shall
31 remit to the department all sales and use tax due on such sales
32 at the times and in the manner provided by chapter 423.

33 5. The director shall adopt rules pursuant to chapter 17A to
34 administer this section.

35

DIVISION VII

1 BALLOT ARRANGEMENT FOR CERTAIN PARTISAN OFFICES

2 Sec. 57. Section 49.31, subsection 1, Code 2017, is amended
3 to read as follows:

4 1. *a.* All ballots shall be arranged with the names of
5 candidates for each office listed below the office title.
6 For partisan elections the name of the political party or
7 organization which nominated each candidate shall be listed
8 after or below each candidate's name.

9 *b.* (1) The commissioner shall determine the order of
10 political parties and ~~nonparty political organizations~~ on the
11 ballot as provided under this paragraph "b". The sequence shall
12 be the same for each office on the ballot and for each precinct
13 in the county voting in the election. The commissioner shall
14 arrange the ballot so that the candidates of each political
15 party, as defined in section 43.2, for each partisan office
16 appearing on the ballot shall appear in descending order so
17 that the candidates of the political party whose registered
18 voters voted in the greatest number in the commissioner's
19 county at the preceding election described in section 39.9
20 shall appear first on the ballot, and the candidates of the
21 political party whose registered voters voted in the next
22 greatest number in the commissioner's county at such election
23 appear next on the ballot, and continuing in descending order
24 in the same manner.

25 (2) The commissioner shall determine the number of
26 registered voters from each political party who voted at each
27 election described in section 39.9 after the state registrar
28 has updated information on participation pursuant to section
29 48A.38, subsection 2, following such an election.

30 (3) If the number of registered voters from two or more
31 political parties voted in the same number in the county, the
32 commissioner shall determine the order of arranging political
33 party candidates for those political parties based upon the
34 numbers of registered voters who voted in the most recent
35 election described in section 39.9 for which the number of

1 registered voters from those political parties who voted in
2 such an election were different.

3 c. The commissioner shall determine the order of nonparty
4 political organizations on the ballot. The sequence shall be
5 the same for each office on the ballot and for each precinct in
6 the county voting in the election.

7 Sec. 58. Section 49.31, subsection 2, paragraph b, Code
8 2017, is amended to read as follows:

9 b. The Notwithstanding any provision of subsection 1,
10 paragraph "b", to the contrary, the commissioner shall then
11 arrange the surnames of each political party's candidates for
12 each office to which two or more persons are to be elected at
13 large alphabetically for the respective offices for the first
14 precinct on the list; thereafter, for each political party and
15 for each succeeding precinct, the names appearing first for
16 the respective offices in the last preceding precinct shall
17 be placed last, so that the names that were second before the
18 change shall be first after the change. The commissioner may
19 also rotate the names of candidates of a political party in the
20 reverse order of that provided in [this subsection](#) or alternate
21 the rotation so that the candidates of different parties shall
22 not be paired as they proceed through the rotation. The
23 procedure for arrangement of names on ballots provided in this
24 section shall likewise be substantially followed in elections
25 in political subdivisions of less than a county.